

1 James D. Greene, Esq., Nevada Bar No. 2647
2 GREENE INFUSO, LLP
3 3030 South Jones Boulevard, Suite 101
4 Las Vegas, Nevada 89146
5 Telephone: (702) 570-6000
6 Facsimile: (702) 463-8401
7 E-mail: jgreen@greeneinfusolaw.com
8 Attorneys for Landry's Inc.

E Filed: August 29, 2011

8 UNITED STATES BANKRUPTCY COURT

9 DISTRICT OF NEVADA

10 In re: Bankruptcy No. BK-S-11-10202-MKN
11 BESO, LLC Chapter 11
12 Debtor. Hearing Date: September 26, 2011
13 Hearing Time: 1:30 p.m.

14 **DECLARATION OF STEVE L. SCHEINTHAL IN SUPPORT OF MOTION FOR**
15 **ORDER (1) AUTHORIZING A PRIVATE SALE OF SUBSTANTIALLY ALL OF THE**
16 **DEBTOR'S ASSETS FREE AND CLEAR OF ANY AND ALL LIENS, CLAIMS,**
ENCUMBRANCES, AND OTHER INTERESTS; (2) APPROVING THE ASSET
PURCHASE AGREEMENT IN CONNECTION THEREWITH; AND (3) GRANTING
17 **RELATED RELIEF**

18 STEVEN L. SCHEINTHAL, declare under penalty of perjury that I have read the
19 foregoing and that it is true and correct to the best of my information.

20 1. I am the Executive Vice President and General Counsel for Landry's, Inc. and
21 Vice President of CHLN, Inc. ("CHLN"). I am also familiar with the business of Beso, LLC
22 ("Beso"). 2. On January 6, 2011 (the "Petition Date"), Beso filed for relief under Chapter 11 of
23 the Bankruptcy Code pursuant to 11 U.S.C. §§ 1107(a) and 1108 and Beso remains a debtor in
24 possession.

25 3. Beso operates a restaurant known as "Beso" (the "Beso Restaurant") and formerly
26 the club concept known as "Eve" located at 3720 Las Vegas Blvd., S. #260, Las Vegas, Nevada
27

GREENE INFUSO, LLP
3030 South Jones Boulevard, Suite 101
Las Vegas, Nevada 89146
(702) 570-6000

1 89158 (the "Premises"). The Premises are leased from The Crystals at City Center, LLC
2 ("Crystals").

3 4. Beso has failed to pay a significant amount of the rent due under the lease for the
4 Premises. Crystals is owed significant back rent as of the Petition Date. In addition, post-petition,
5 Beso has failed to pay the rent required by the lease. Moreover, Beso has not assumed the lease
6 and therefore, the lease has been rejected. Beso is currently a month-to-month tenant and the
7 Premises is controlled by Crystals.

8 5. CHLN is only interested in acquiring the Beso assets at the purchase price set forth
9 in the Asset Purchase Agreement so long as (i) Eva Longoria and Jonas Lowrance are
10 shareholders in a new company to be formed ("Newco") between an affiliate of CHLN, Eva
11 Longoria and Jonas Lowrance, and (ii) Newco is able to enter into a new lease with Crystals.
12 CHLN will grant the right to use the Beso assets to Newco and be the manager of the business for
13 Newco, in exchange for a management fee.

14 6. I have had discussions with Crystals' representatives about leasing the Premises.
15 Based on our discussions, I believe that Crystals will only enter into a new lease agreement with
16 Newco so long as the shareholders of Newco include Landry's, Inc., or an affiliate, Eva Longoria
17 and Jonas Lowrance.

18 7. If the sale of assets is allowed, Newco and CHLN will continue to operate the
19 Beso Restaurant and employ the current employees of the business, subject to normal and
20 customary employment terms.

21 Dated this 29th day of August, 2011.

22 _____
23 /s/ Steven L. Scheinthal
24 Steven L. Scheinthal
25
26
27
28